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Supreme Court of the United States

OCTOBER TERM, 1938

No. 372

STALEY ELEVATOR CO., INC.,

Petitioner,

and

**570 BUILDING CORPORATION, SAMUEL COHEN AND
JACOB C. COHEN,**

Petitioners,

vs.

OTIS ELEVATOR COMPANY,

Respondent.

**RESPONDENT'S BRIEF IN OPPOSITION TO PETITION
FOR WRIT OF CERTIORARI**

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C. V. JOHNSON,
L. A. WATSON,**

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RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI

This is an ordinary patent case.* It presents no conflict of decision between Circuit Courts of Appeal, no matter of public interest, no important question of law nor any of the other grounds for certiorari stated in Rule 38, Subdivision 5(b) of the rules of this Court. The Petition presents the familiar attempt of the defeated party in such a suit to seek a review by this Court, notwithstanding

* The decision of the Circuit Court of Appeals for the Second Circuit is reported at 38 U. S. P. Q. 502.

that rule. The case turned on the usual issue of patentable invention, as to which the District Court and the Circuit Court of Appeals unanimously held the patents valid and infringed. The Petition for rehearing was denied by the Circuit Court of Appeals (R. IV, 2094).

Statement of the Case

Petitioners' "Summary Statement of the Matter Involved" is largely argumentative. Much stated as fact is erroneous and contrary to the "Findings of Fact" made by the trial Court (R. IV, 2018-27) and approved by the Circuit Court of Appeals. Correction can be most tersely made by reference to the Findings of Fact below, as follows:

The subjects of respondent's patents are as stated in Finding of Fact No. 7 (R. IV, 2020).

The parallelism of petitioners' elevators and the patented inventions, and the consequent clear infringement is as stated in Findings of Fact Nos. 9 and 10 (R. IV, 2021-22).

The disclosure of respondent's earlier Parker reissue patent 16,297 is as stated in Finding of Fact No. 12 (R. IV, 2022).

The facts proving the validity of respondent's patents over the Parker patent and the S. O. B. system are as stated in Findings of Fact Nos. 12, 13 and 14 (R. IV, 2022-24).

That the applications for all three patents were co-pending (actually before the same Examiner); that a clear line of differentiation between them was preserved; and that the Patent Office allowed respondent's patents with full knowledge of the Parker invention appears from Finding of Fact No. 17 (R. IV, 2025).

The claims of respondent's patents are for new combinations, which meet every requirement of valid patentability (Finding of Fact No. 11, R. IV, 2022).

ARGUMENT

I.

The cases cited by petitioners as sustaining the jurisdiction of this Court do not apply.

In each of the cases cited on page 10 of Petitioners' Brief there were dissenting or conflicting opinions of the lower courts.

In *DeForest Radio Co. v. General Electric Co.*, 283 U. S. 664, the Circuit Court of Appeals had first affirmed the District Court *per curiam*, and later reversed itself by divided Court on rehearing.

In *Carbice Corp. of America v. American Patents Development Corp. et al.*, 283 U. S. 27, the District Court had found no infringement, while the Circuit Court of Appeals had held the patent valid and infringed.

In *Simmons v. Greer*, 258 U. S. 82, the Circuit Court of Appeals for the Third Circuit had held the patent invalid, the Circuit Court of Appeals for the Second Circuit had held the patent valid and infringed, and the latter was sustained by this Court. The complainant then sought further relief against the Third Circuit defendant and was granted such relief by the District Court whose decision was reversed by the Court of Appeals for the Third Circuit.

In the present case there is no conflict of decisions. The District Court (Judge Moscovitz) and the Circuit Court of Appeals for the Second Circuit (Judges Manton, Swan and Chase, in a unanimous Opinion) have both held respondent's patents to be valid and infringed.

II.

No important question of law is involved.

This is merely an ordinary patent case and petitioners seek certiorari merely to secure a review of fact evidence. In such cases this Court properly declines to grant certiorari, or to review the facts.

Layne and Bowler Corporation v. Western Well Works, 261 U. S. 387, 388;

Keller v. Adams-Campbell Co., 264 U. S. 314, 319;

Washington Securities Co. v. United States, 234 U. S. 76;

United States v. Commercial Credit Co., 286 U. S. 63, 67;

Thomson Spot Welder Co. v. Ford Motor Co., 265 U. S. 445, 447;

Concrete Appliances Co. v. Gomery, 269 U. S. 177, 180.

III.

No question of interest of the public is involved.

Instead of a "public interest" being involved, this case is merely concerned with a defendant (Staley) whose confessed policy is to disregard everybody's patents (R. I, 512).

IV.

The decision below does not prolong any patent monopoly.

Respondent's Parker Reissue Patent 16,297 expires August 26, 1941. After expiration of the Parker patent, its disclosure may be freely made, sold and used without

infringing any claim of either of respondent's patents involved herein. Accordingly there is no legal basis whatever for the petitioners' alleged "Reason for Allowance of Writ" designated as (1) on page 8 of the Petition.

Indeed, the Petition does not deny the independent scope of respondent's patents. Its charge of prolonging the monopoly is stated to be

"in contravention of the rule that the application of an old machine or instrumentality to a new and analogous use is not invention" (Petition, p. 8).

This, however, is but a contention that the subject matter of respondent's patents did not require "the exercise of patentable invention". That defense in turn involves purely issues of fact, not issues of law.

Thomson Spot Welder Co. v. Ford Motor Co.
(*supra*);

Haines v. McLaughlin, 135 U. S. 584, 597;

United States v. Esnault Pelterie, 299 U. S. 201,
205.

V.

The decision below is amply justified by the Record.

The decision holds that respondent's patents are valid and that petitioners have infringed the same by making and using elevators which embody *the same or equivalent means in the same patented combinations*. The Statutes require that patents may be granted only for "useful" inventions. Every patent, therefore, inherently covers "a desired end". Respondent's patents cover certain specific new combinations of integrated elements. Petitioners and the public are free to accomplish the ultimate "result" without infringing, if they confine themselves either to a *different or non-equivalent combination of means*.

This case does not conflict in the slightest with the decisions of this Court, such as *Holland Furniture Co. v. Perkins Glue Co.*, 277 U. S. 245, 257 cited by petitioner, which hold patents invalid as claiming "functions and effects" irrespective of means, and thus purporting to comprehend more than the patentee's contribution. The decision below finds that the claims of respondent's patents call for combinations of elements which are present in petitioners' system. As to three minor differences which were relied upon by petitioners below to support their argument of non-infringement, the Court specifically found each an "equivalent" (R. IV, 2055-56). There is not mere correspondence of "end", there is correspondence of means.

Morley Machine Co. v. Lancaster, 129 U. S. 263, 273;

Machine Co. v. Murphy, 97 U. S. 120, 125;

Tempco Electric Motor Co. v. Apco Manufacturing Co., 275 U. S. 319, 328.

Thus petitioners' "Reason for Allowance of Writ", designated as (2) on page 8, is also but a reasserted defense of non-infringement, which in turn depends solely on questions of fact and not on questions of law.

VI.

The Lindquist *et al.* patent does not cover an old combination including merely a new part.

Petitioners' next "Reason for Allowance of Writ", designated as (3) on page 9 of the Petition, is a reasserted argument, against only the second patent in suit (not against the first), that it covers an old combination including merely a new part. This alleged reason postulates that the Lindquist *et al.* patent claims an old combination.

That postulate, however, was a fact issue in the case, and the lower court decisions both held against petitioners on the facts. Accordingly while petitioners pretend to raise issues of law, here again they are in reality arguing only issues of fact.

Respondent denies that the Lindquist *et al.* patent covers an old combination. On the contrary, this patent comprises plural integrated means cooperating to provide a new combination of means, and *per* both decisions below, the new combination possesses all the attributes of patentability including the exercise of patentable invention in its conception and embodiment.

VII.

Respondent has not entered into an unlawful agreement to monopolize the industry.

Petitioners' Brief states that respondent and Westinghouse Electric & Manufacturing Company have "pooled their competitive patents" (Petition, p. 12). Such an issue was not pleaded below and is now made in reckless disregard of the truth on a wholly misleading and incomplete quotation from the Record. Petitioners' reference to the matter can hardly be in good faith and is certainly improper.

Moreover, such an issue may not be raised in an action for infringement (*cf.* Walker on Patents (Deller's Edition, 1937) Volume II, p. 1590 § 409, and cases cited).

The cross license agreement between respondent and Westinghouse naturally provided that neither licensor would assert any patent against the other so far as concerned the subject elevators made under the specifically licensed patent (R. IV, 1807-10).

VIII.

There was no misrepresentation or concealment before the Patent Office.

Respondent's patents were granted by the Patent Office with full knowledge of the fact of Parker's invention, and of the distinct patentable differences of Larson and of Lindquist *et al.* thereover. The argument to the contrary, advanced on page 7 of Petitioners' Brief, is not only untrue but is absurd, because the Patent Office itself cited Parker against the Larson application while pending, and both patents in suit were allowed by the Patent Office not in ignorance of the priority of Parker but on a finding (coincident with the later decisions of the Courts below, *cf.* R. IV, 2025, 2053-55) that the Larson and Lindquist *et al.* inventions were respectively different from and involved the exercise of patentable invention over Parker's invention, and that the claims are distinctive in scope.

Conclusion.

It is respectfully submitted that the Petition should be denied.

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September 29, 1938.